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The Agricultural Situation

A Brief Summary of



Economic Conditions

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DROUGHT IN NORTH—GOOD CROPS IN SOUTH AND FAR WEST

The drought this year is the worst the country has known in more than two generations in respect to both heat and dryness. Places in the West not only have had less than 10 percent of normal rainfall, but have had 30 to 40 days with temperatures of 100 or above.

The season now is so far along that no amount of rain will greatly change the output of the principal northern crops. Rain might help potatoes somewhat; but to corn, oats, spring wheat, and other small grains, as well as to fruits and canning crops, the damage is done.

Corn, the mainstay of the animal industries, is about half a crop; it is the smallest in more than 50 years. It is being widely cut for fodder and silage. The total production of the four chief feed grains—corn, oats, barley, and grain sorghums—appears likely to amount to not much over 50,000,000 tons—about 40 percent less than average.

But the bigness of this country is illustrated by the fact that despite the widespread drought area, there is still an extensive region—the Cotton Belt—turning out a larger crop than last year. Likewise, there is the nearly 2,000-mile stretch of Pacific country with excellent crops. The total food supply is estimated at 97 percent of last year.

The tight feed situation is beginning to bear down heavily on livestock producers. Feeding has been necessary more or less generally in the North for a month past. Dairymen in many instances have had to feed not only grain, but hay and silage as they would in the winter. Pastures in many places have been virtually bare of feed.

There has been some liquidation of both cattle and hogs. The slaughter of cattle, calves, packing sows, and of young early farrowed hogs began to increase markedly in July. Hog prices, however, have been firm. This is one respect in which the livestock situation differs from 1934. Hogs are worth something now. This fact provides incentive for hog raisers, but it also makes a more competitive situation all along the line for all users of corn.

The drought has cut the output of milk and butter sharply. July butter production was the smallest in 13 years. Butter prices have advanced accordingly. Eggs, on the other hand, have been plentiful, the East and West coast having offset the middle western shortage. Eggs were one of the few staple foods which dropped in price last month.

KEY REGIONS AT A GLANCE

THE EAST.—Much of the East still in grip of drought, although New England has had rains. Early crops poor, generally speaking. Much oats too short to cut with binder. Corn and potatoes helped somewhat by showers, but silage corn prospect poor. Potato digging begun in places, with yields fair at the best. Pastures very poor. Dairymen over wide areas feeding grain, hay, and even silage. New York areas disturbed over low price of milk and high grain prices.

THE SOUTH.—Unlike rest of country, parts of the Cotton Belt have had too much rain, especially in the east. Progress of cotton generally good. Reported in fair to good condition over most of eastern belt. Some deterioration in west, where picking and ginning are going forward rapidly. Drought conditions very serious in Oklahoma; cotton suffering and pastures and feed crops almost complete failure. South encouraged by heavy consumption of cotton, with prices holding fairly well, notwithstanding prospect of increased crop this year.

CORN BELT.—Busy with threshing, silo filling, corn cutting, and fall plowing. Corn prospects poorer than in 1934, with probability of smallest crop in half century. Likelihood is that total corn crop will not be much more than half of average. Many growers have cut corn for fodder. Winter wheat has threshed out fairly well, but other small grains are poor. Most of the region has hay but is short of other feeds. Many livestock men compelled to feed now for lack of pastures. Those who have crops cheered by the rise in prices. Some evidence of liquidation of both hogs and cattle due to lack of feed.

WHEAT BELT.—Very hot, very dry, generally discouraged at this season's outcome. Those sections able to harvest a crop of winter wheat have threshed out fairly good yields and are cheered by price of wheat. Spring-wheat territory in the north mostly has little to sell and large areas are dependent on relief funds. Feed very short; many stockmen obliged to feed hay now that will be sorely needed next winter.

RANGE COUNTRY.—East of the mountains struggling with drought, heat, water shortage, and lack of feed. West of the Continental Divide conditions much better; feed fairly ample; stock in generally good condition; crops good in irrigated valleys. Considerable movement of stock out of eastern Montana and Wyoming because of feed shortage. Calf crop somewhat better than last year; lamb crop generally better. Except for some areas in Montana and Colorado, range country as a whole has shown improvement in conditions during the past month.

PACIFIC COAST.—Dry in the north but best harvest season in years. North has been busy threshing grain, picking pears, peaches, hops. Pastures dry but feed generally ample, except in limited areas. In California some damage to fruit and truck crops from heat. Harvesting sugar beets, peaches, grapes, almonds. Pears, melons, alfalfa seed mostly harvested and were good crops. Ranges and livestock in good condition. Coast generally feeling satisfaction over a year of good crops and promising markets.

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THE AGRICULTURAL SITUATION, SEPTEMBER 1936

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THE COURSE OF THE DROUGHT

This bids fair to be a record drought in this country. No State between the Appalachian and the Rocky Mountains has had normal rainfall this season. Most of them have had about half normal or less. The Southwest as a region has had less than half its normal rainfall. Oklahoma, for example, has had less than 10 percent of normal rainfall.

During the first 3 weeks of August, Tennessee had 28 percent of its normal rainfall, Illinois 52, Minnesota 58, Iowa 65, Missouri 37, Arkansas 10, Texas 20, Oklahoma 6, Kansas 31, Nebraska 62, North Dakota 60, and South Dakota 50 percent.

In 1934 the Ohio Valley States had about normal rainfall, taking the month of August as a whole. Missouri similarly had a little more than normal, Oklahoma about normal except that northern Oklahoma was quite dry (having only from 10 to 25 percent of normal rain). The 1934 drought in the West was not broken until September. East of the Mississippi, however, it was largely broken in August.

This year's drought also has been marked by very great extremes of temperature. On top of the dryness, the terrific and prolonged heat has literally burned up the crops. More temperature records have been broken and the heat has lasted longer this year than in 1934. Oklahoma City is the center of a sample area that tells the story of the heat this summer. By August 25 it had recorded 35 out of 42 days with temperatures of 100° or over. On that date it had just had 22 consecutive days of temperatures 100° or above. With variations, this is the story for a large part of the Wheat and Corn Belts.

THE 1934 EXPERIENCE FACTOR

There are several factors which will figure differently in the aftermath of the 1936 drought than in 1934. One likely to be of great significance and that is easily overlooked is the experience farmers gained in 1934. This is being reflected in greater ability to deal with the many problems and needed adjustments now arising on farms wherever drought has left its mark.

Drought is, of course, not a new thing for many farmers. But there are new farmers yearly joining the ranks of producers. Also, national droughts involve factors which are quite different from localized calamities. For many producers 1934 was the first experience of its kind. This experience is fresh in the minds of most farmers and it will be an asset which will not go to waste.

The experience gained in the close utilization of feed will be of very high value. There has always been great variance in feed utilization. In 1934 many lessons were learned as a result of the shortage in terms of better preserving feeds, utilizing what in years of plenty would be wasted, in working out economical combinations of feed, in careful rationing, and in other ways, including astute purchasing of feeds.

Conversations with farmers who are now face to face with feed shortages turns quickly to a recital of their experiences of 1934. Generally they are now much more able to measure their feed resources in terms of animal units and to make better plans for the handling and marketing of livestock. Livestock numbers are smaller, consumer demand is stronger. It is, of course, also true that generally farmers are somewhat better prepared financially to meet the problems this year

than they were in 1934. Many, remembering 1934, carried over somewhat larger supplies of feed, although the severity of last winter's weather spoiled many plans to enter this feeding season with better reserves.

The great unknown is the character of the coming winter. Will it be severe like that of last winter? Then low temperatures and heavy snows forced farmers to draw on their resources much earlier than they had expected and finally, much more heavily, especially through all the Northern States. The time of the first killing frost may still figure importantly in the final outturn of corn. Snowfall, both the time of its coming and its extent, will determine for thousands of farmers the rate at which they will draw on supplies in hay lofts, silos, granaries, cribs, and stacks.

PRICE TRENDS WATCHED CLOSELY

Perhaps the most significant experience was with prices of farm products after the 1934 drought. Farmers watched with the closest interest the influence of that drought on prices as it manifested itself not only in 1934 but throughout 1935 and into the current year. The livestock producers have the pattern of those price movements well in mind this year. Long-range price trends are figuring much more importantly in plans than 2 years ago and farmers are better equipped to gage them.

Already the factor of experience is being given much weight by observers who have been surprised at the orderly character of the marketward movement so far of hogs, cattle, and sheep. If this experience factor counts for as much as many who have recently visited many farms over large areas are inclined to believe, there may be two prominent results:

First, livestock may not be marketed this fall in as large numbers as the prospects of reduced feed supplies ordinarily would suggest. The result: the drop in prices before January 1 may be less than was expected earlier or might have been expected if farmers did not have their experience of 1934 to draw upon.

Secondly, the eyes of farmers have been sharpened by their 1934-35 experience to expect higher prices next spring and summer. The result: they may have larger numbers of animals available for market then, more nearly meeting requirements and preventing as much advance in prices as might be expected.

Supply and price curves, in the event this factor of experience proves thus significant, will be less irregular than after the 1934 drought. This would, of course, be significant also in terms of more stable prices to consumers.

The factor of experience does not apply alone to farmers. It also applies to processors. Meat packers, for instance, did not approach the situation presented by the 1934 drought similarly and there was considerable variance in their storage programs. It is likely that next spring and summer when supplies of meats might be expected to be small that packers generally will have anticipated the situation by increasing their storage holdings. The result: the supplies available at that time may be larger than had the experience of 1934 not clearly indicated certain trends.

ROY F. HENDRICKSON,
Director of Economic Information.

CATTLEMEN PINCHED FOR FEED

Cattle have been coming to market from an ever-widening area where feed of all kinds has been shortened by the drought. In July, for instance, the receipts of several leading markets were 39 percent larger than in July last year and more than a fifth above the 5-year average. The inspected slaughter of 928,000 head in July was the second largest commercial slaughter ever reported for that month. The slaughter of calves was equal to the largest for the month on record. The number of beef steers at Chicago was 40 percent larger than for any other July in 5 years.

Of course, as these runs to market went forward in July and early August prices of low-grade slaughter cattle declined rather sharply. The Government then opened its purchase program at a number of Middle Western terminal markets and gave the market support.

SLIGHTLY MORE CATTLE ON FEED

The number of cattle on feed for market on August 1 was estimated as 3 percent larger than a year earlier. This small increase was much below the forecasts that had been made earlier this year. Apparently, many cattle that would have been marketed early were held back in the hope of an advance in prices. But by the end of July the shortage of pastures and the rapidly rising price of feed had begun to force a rather heavy movement of these cattle to market.

The number of cattle put on feed during the remainder of this year is expected to be much smaller than a year ago, and may even be below the number in the same period of the drought year 1934.

GREATER COMPETITION FOR FEED

Hog prices are considerably higher than they were in 1934 and there are more pigs to be fed. Consequently, hogs are making some rather live competition with cattle for such small supplies of corn as are available.

Supplies of fed cattle, which have been comparatively heavy, are expected to continue fairly heavy for another month, but at the first of October they may fall off rather sharply. If there is further improvement in consumer demand for meats—a factor which has shown up quite definitely in the market this summer—it would be possible to have a rather sharp advance in the price of better-grade cattle during the last quarter of the year.

SOME LIQUIDATION OF HOGS

Hog prices have been advancing lately, notwithstanding considerable liquidation of packing sows and of young hogs farrowed early this year. The slaughter of hogs in July and early August was relatively large, while the average weights showed a decided falling off.

It is considered probable that the supply of hogs going to slaughter during the rest of this year will be large in relation to the total number of hogs in the country, and will be considerably larger than was expected early in the summer. The tendency to sell off brood sows and to market last spring's pigs early because of feed shortage may prevent much more seasonal advance in hog prices this summer, and may cause the seasonal decline this fall to be greater than average. The decline in hog prices this fall, however, is likely to be followed by marked

seasonal advance in the late winter and early spring of next year when the number coming to market is expected to be relatively small.

Ordinarily, the number of hogs slaughtered in July is very much smaller than that in June, but this year the drought forced considerable liquidation of hogs that otherwise would have been retained for producing fall pigs or for sale later in the year. Thus the federally inspected slaughter during July (2,692,000) was only 1.7 percent less than in June and it was 57 percent larger than the very small slaughter in July last year.

The stock of pork in cold storage on August 1 totaled 442 million pounds; this was 20 percent larger than a year earlier but was about one-third smaller than the 5-year average for that date.

LESS PRODUCE, HIGHER PRICES

The drought has more than canceled the larger acreages that were planted this year to the important fruits and vegetables. The yield of these crops varies, but they are virtually all smaller than last year, in some instances as much as 40 percent less. A representative group of the leading fruits appears to be fully 25 percent less than last season.

The small production, however, is likely to show up in the local supplies, rather than in the carlot movement. Actually, carlot shipments so far this season have exceeded those of a year ago, partly because of heavy movement from distant sections to offset local shortages. This movement has diverted some produce that ordinarily would have been trucked to local markets or canneries. It is a rather surprising fact that in the drought year of 1934 vegetable shipments over the railroads were as heavy as usual. It seems to be that in this class of farm products the effect of a drought year is felt mainly in scanty home-grown supplies in the drought region and in a generally high-price level. Western fruits and vegetables have moved into midwestern markets in volume this summer, often showing good returns to the shippers.

HIGHER PRICES

Potatoes and western lettuce are two to three times as high in price as a year ago; onions are about 15 percent higher; sweetpotatoes, apples, and carrots, 10 to 50 percent higher; citrus fruits and peaches likewise from 10 to 20 percent higher.

A little study of production and prices this season and last suggests that the higher prices this year are not due entirely to conditions on the supply side. Prices in several instances have advanced even with a crop about the same as last year. In other words, the price situation is partly a result of better demand this year. That has been evident all along the line.

Prices of canned vegetables have been rising and are considerably higher than they were a year ago.

MARKEt APPLE CROP A THIRD BELOW AVERAGE

The crop of market apples probably is about two-thirds an average crop. The Pacific Northwest has a crop not much below that of last year, Michigan has about an average production in sight, and Virginia and West Virginia have about two-thirds an average crop. It is

from these three regions that the markets will draw most heavily during the next 2 months. New York, New England, and most parts of the East and Middle West have extremely limited crops.

Prices of early apples were somewhat restricted, doubtless by the hot weather, the prevalence of small sizes, and by strong competition from peaches and melons. However, occasional tops of \$2 a bushel for choice varieties suggested good selling conditions to come.

If the crop turns out as indicated, it is probable that the price trend will be upward, notwithstanding that growers apparently will have to look mainly to the domestic market to absorb their supplies. The export market for apples is anything but brisk.

APPLE PRICES IN OTHER SHORT CROP YEARS

Comparing apple prices in the fall months of other short-crop years, there have been times when business conditions were fairly good when prices ranged two or three times higher than last season's levels. Prices at harvest time in September and October depend greatly on the vigor of storage buying and the general consuming demand.

Allowing for limited export trade and for a domestic demand still somewhat below normal, there would still be a fair prospect of rising prices through this fall and winter and a general average perhaps double that of last season.

Prices of apples in the business depression year of 1932 did not respond to the short crop; apples that year sold about half as high as, for example, in the good business year 1927 when apple production was also limited but demand good.

POTATOES HIGHER

The potato market has shown the usual downward summer-price trend, but a good demand and moderate supplies have prevented sharp declines. Compared with last season, potato prices have ranged about two or three times higher. The usual thing in the short-crop years is for potato prices to reach the lowest point during the main harvest time in the fall months and then rise through the last part of the season.

According to the August estimate, the crop is very light. An indicated output of only 211,000,000 bushels in the 18 late-shipping States would be 50,000,000 below average and fully 60,000,000 below last year's crop. The chief shortage in potatoes is in the Middle West. There is still time for the main crop to show some recovery from the bad summer conditions, especially in the northern and northeastern regions.

In the spring of 1926 potatoes went to \$4.50 a hundred pounds in Chicago. In May 1920 a top of \$7 was reached in that market. However, increasing supplies of fresh southern vegetables in winter and spring have tended to prevent extreme prices for stored potatoes in recent years. Also, while there is evidence of improved domestic demand this summer, conditions on the demand side are still regarded as somewhat below normal. All of which may operate to restrain potato prices from reaching the extreme heights of some of the earlier years.

The markets will draw their supply of potatoes this coming month largely from Maine, New Jersey, Idaho, Colorado, California, and the Pacific Northwest. These States have good crops for a season of

general shortage. Much of the western potato surplus will be needed in the drought sections of the Middle West.

The indications of a rather limited supply of northern vegetables for winter use are not lost upon the southern growers of early vegetables. There are some signs that the acreage of southern early produce shipped to northern markets will be somewhat increased.

GEORGE B. FISKE,
Division of Economic Information.

COTTON CONSUMPTION AND PRODUCTION BOTH UP

The August crop report estimated this year's cotton crop at 12,481,000 bales. This compared with a production of 10,638,000 bales last year. Crop conditions are poor in Oklahoma and have been somewhat below average in the Atlantic States. Elsewhere, however, the growing conditions have been relatively favorable.

LARGER CROP THIS YEAR

Cotton consumption has been going forward on a fairly high level. During the 12 months August to July, domestic mills used about 6,300,000 bales of cotton, according to trade reports. This compares with a utilization of 5,360,000 bales last year and an average of 6,182,000 bales for the period 1923-33.

CONDITIONS UNCERTAIN IN FOREIGN MILLS

In Europe conditions in the cotton textile industries vary greatly. In Great Britain the mills have been quite active, but in the last few weeks it is reported that there has been recession. The German and Italian mills are hampered by barriers which prevent the ready importation of raw material. France and Belgium are worried by labor troubles. The Spanish industry, of course, is disorganized by the civil war. Japan bought a lot of cotton in June, although American cotton represented a smaller share of her imports than in any month on record. Trade reports indicate a continuation of mill activity in Japan during July also. She has been buying much more Indian, Egyptian, Chinese, Brazilian, and African cotton this year than last.

Cotton exports for this past season are estimated at 6,050,000 bales, an increase of 26 percent over last year's very small amount but 23 percent less than the average exports (7,880,000 bales) in the 10 years ended 1933.

SMALLER CARRY-OVER

The world does not have as much American cotton on hand now as it had last year. The world carry-over of American cotton was estimated by the trade as of August 1, at about 7,100,000 bales. Last year the same date it was 9,009,000 bales.

Of the total carry-over about 5,475,000 bales in the United States, around 3,200,000 bales are estimated to be Government-financed cotton and 2,275,000 bales are in private hands.

Middling cotton reached a high price for the season of 13.42 cents on July 10 but since then has shown a tendency to decline. The more favorable crop prospects in this country have tended to offset the fairly high rate of consumption and the smaller carry-over.

DROUGHT TAKING HEAVY TOLL OF DAIRY PRODUCTS

The drought has cut sharply into this season's supply of dairy products. The summer is not yet over and already several new low records of output for this season of the year have been set up, and current reports indicate that while there is some improvement here and there, conditions generally continue unfavorable. Pastures are very poor and dairymen quite generally are having to feed grain and in many instances hay and silage as well. The probability is that total milk production during the coming fall and winter will continue below corresponding months last year. This is likely to be felt more in manufactured dairy products than in city milk supplies.

MILK PRODUCTION CUT

The total production of creamery butter in July was 153,395,000 pounds, the lightest July production since 1923. This was 32,000,000 pounds, or 17 percent below July last year and 11 percent below average.

Of those States which are the important butter producers, only four made more butter this July than last. These were Texas, Colorado, Utah, and Idaho. Of the principal butter States, Minnesota showed a decrease of 16.5 percent, Iowa 22.5 percent, and Wisconsin 20 percent under July last year.

This July slump in butter production brought the total output for the year up to August 1 to a 3-percent net decrease instead of the slight increase reported last month. This reduction amounted to more than 30,000,000 pounds below the same period last year.

July production of cheese also was below July of last year, the estimated production of 63,900,000 pounds representing a drop of 4.7 percent. The January-July output of cheese this year, however, shows an increase of 13 percent over the first 7 months of last year. The output of evaporated milk in July also showed a slight decrease. Condensed milk alone showed increased production in July.

The July situation as to manufactured dairy products is best indicated by a comparison made on the basis of milk equivalent; this shows a combined production 14 percent less than in July last year.

LIGHT STORAGE STOCKS OF BUTTER

Cold storage stocks of creamery butter on August 1 amounted to only 103,393,000 pounds, which was 46,000,000 pounds under last year and 23,000,000 pounds below the August 1 average.

Butter continued to move into cold storage in August, although the increase during the first 3 weeks of the month was close to a million pounds under last year. The last available weekly reports of stocks in 26 storage centers as of August 22 showed the smallest stocks in those cities on that date since these reports were started in 1924. Stocks of cheese, however, are about up to last year and average.

INCREASED IMPORTS

Butter imports have begun to loom larger recently. During the first 6 months of this year total imports of butter were only 4,680,000 pounds as against 21,500,000 pounds the first half of last year.

July imports were around 325,000 pounds (unofficial) against 177,000 pounds in July 1935. In the first 4 weeks of August, however, reported arrivals from abroad are almost 1,500,000 pounds compared with 149,000 pounds in August last year. Butter imports the last 2 months came from Holland, Lithuania, Denmark, Poland, Latvia, Siberia, and New Zealand, the latter shipped from London. Part of this butter has been stored in bond. Latest reports from the New York market, where the above foreign shipments arrived, suggest that the interest in foreign butter has subsided at the moment, partly because of the temporarily unsettled condition of the domestic market.

HIGHER PRICES

Butter prices, which had climbed steadily from the middle of May up through July, flattened out last month, but the margin over corresponding months of 1935 widened until on August 1 the difference was more than 11 cents a pound. This has since narrowed to about 10 cents.

Cheese prices, likewise, which had been advancing during the summer, have recently leveled off but are higher than a year ago.

The higher prices on manufactured dairy products have been followed by advances in milk prices, with more than 50 cities reporting price increases effective in August. These increases have applied not only to dealers' buying prices, but to those paid by consumers as well. These advances reported since August 1 include New York State and parts of New Jersey. The only major market where a drop occurred was Boston, but this was due to a combination of conditions, including a court decision unfavorable to the Federal license program.

L. M. DAVIS,
Division of Dairy and Poultry Products.

SUMMARY OF DAIRY STATISTICS

PRODUCTION

[Millions of pounds; 000,000 omitted]

Product	July			January to July, inclusive		
	1936	1935	Percent change	1936	1935	Percent change
Creamery butter-----	153	186	-17. 4	986	1,016	-3. 0
Cheese-----	64	67	-4. 7	390	345	+13. 1
Condensed milk-----	29	27	+8. 2	178	156	+14. 6
Evaporated milk ¹ -----	211	213	- . 6	1,283	1,272	+0. 8
Total milk equivalent-----	4,390	5,100	-13. 9	27,818	27,932	-0. 4

¹ Case goods only.

SUMMARY OF DAIRY STATISTICS—Continued

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Creamery butter-----	124	133	-6. 5	927	935	-0. 9
Cheese-----	58	50	+14. 4	421	379	+11. 3
Condensed milk-----	31	24	+26. 8	165	139	+18. 9
Evaporated milk ¹ -----	296	158	+87. 2	1, 241	1, 068	+16. 2
Total milk equivalent	3, 902	3, 690	+5. 7	26, 776	26, 075	+2. 6

¹ Case goods only.

EGGS PLENTIFUL IN SPITE OF DROUGHT

Eggs are one of the few food products that have not been rising in price as a result of the drought. The egg markets in August were weak. Although fresh-egg production in the Middle West dropped sharply as a result of the drought, supplies at the leading markets were abundant.

It appears that the hot weather affected the consumer demand for eggs somewhat; likewise, the fact that retail prices had advanced in late July also tended to dull the edge of the demand. As the retail trade turned somewhat sluggish and supplies began to accumulate, wholesale prices dropped and by the last week in August eggs were selling in New York and Chicago 2½ to 3½ cents lower than at the first of the month.

Some concern is expressed in the trade over the failure of storage eggs to move out at a somewhat faster pace, but with cooler weather next month the demand for both fresh and storage eggs will improve and it is not believed that present stocks will present much of a barrier to higher prices.

JUST WHAT EFFECT WILL THE DROUGHT HAVE?

Naturally, the egg and poultry markets will be greatly influenced by the effect which the drought actually has upon supplies during the coming fall and winter. As far as eggs are concerned, it means smaller supplies from the Middle West.

In that territory producers had only well begun to recover from the 1934 drought. Efforts were being made to bring the flocks back to former numbers, but the tremendous damage to crops and ranges during the last 6 weeks has upset all such plans and resulted in another wave of liquidation of poultry similar to that of 1934. Although this liquidation has not been as severe as that 2 years ago, packing plants in the Middle West report a big increase over last year in their receipts of all classes of poultry. At the same time egg receipts have dropped off sharply.

Some improvement in production will occur when the drought is broken fully, but in view of the large numbers of old hens and pullets already sold, and with some further selling still likely, no great increase in egg production in the drought regions should be expected until early next spring.

Outside the Central West it is possible that higher feed prices may curtail production to some extent, but in the main poultrymen have been able to carry their young stock along because of moderately

favorable range conditions. Some pullets have been sold, but not in large numbers.

EGGS HAVE BEEN COMING FROM EAST AND FAR WEST

Aside from the advance in feed prices, egg producers on the West coast and in the East have been little hurt by the drought. Egg production in some areas was checked slightly by the hot weather, but there were no severe set-backs. Supplies from these sections have been fairly liberal, which explains largely why egg prices have not risen higher. Very little selling of old hens other than the usual seasonal culling has been reported. Present indications point to some increase in the number of layers this fall over last.

STOCKS OF EGGS NOT LARGE

Eggs in cold storage on August 1 amounted to 7,334,000 cases compared with 7,947,000 cases on August 1 last year and 8,470,000 cases for the 5-year average.

The combined stocks of shell and frozen eggs in storage converted to a case-egg equivalent are more than a million cases below the 5-year average.

The movement of eggs out of storage last month was slightly less than a year earlier, fresh-egg supplies at most points being almost sufficient for current needs.

POULTRY MARKET WEAK UNDER HEAVY SUPPLIES

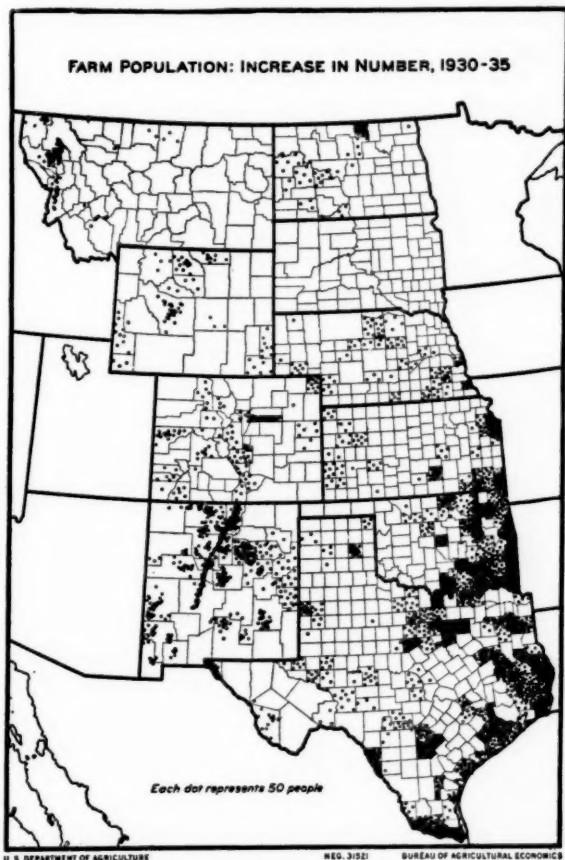
The poultry markets have likewise been weak and irregular. Receipts of both live and dressed poultry for the first 3 weeks in August at the leading markets were much larger than for the same period last year. Receivers reported a fairly good demand for spring chickens during the forepart of the month, but after current requirements were satisfied, demand turned dull and supplies began to accumulate. Prices on fresh-killed dressed broilers and fryers from the Middle West declined 2 cents at New York. Supplies of the latter were particularly heavy, and a part of the arrivals were sent to storage as receivers were unable to find buyers at current quotations.

The sharp increase in the receipts of dressed poultry at the terminal markets in August was due to the heavy marketings of poultry by farmers in the Middle West which has been under way since the first part of July. Reports from packing plants in both the East North Central and West North Central States show that during July their receipts of young chickens averaged about 76 percent larger than a year earlier, and fowls 31 percent. For the first 3 weeks of August receipts of young stock were 99 percent heavier than for the same period last year, and fowls 46 percent. Some plants have urged their patrons to market young stock more slowly, for it is feared that the heavy marketings that have already taken place may result in a very small supply of roasting chickens this fall. In any event, the prices on roasters have held firm while quotations on other classes were weakening.

B. H. BENNETT,
Division of Dairy and Poultry Products.

THE FARM POPULATION OF THE GREAT PLAINS

The popular impression is that there has been a considerable decrease in recent years in the Great Plains States—the area which has been repeatedly hit by drought, dust storms, grasshoppers, etc. This is not correct. Taken as a whole, the farm population of the 10 Plains States has remained almost stationary since the World War. It is interesting to note that one-fifth of the Nation's farm population on January 1, 1935, was living in those 10 Plains States—North Dakota, South Dakota, Nebraska, Kansas, Oklahoma,



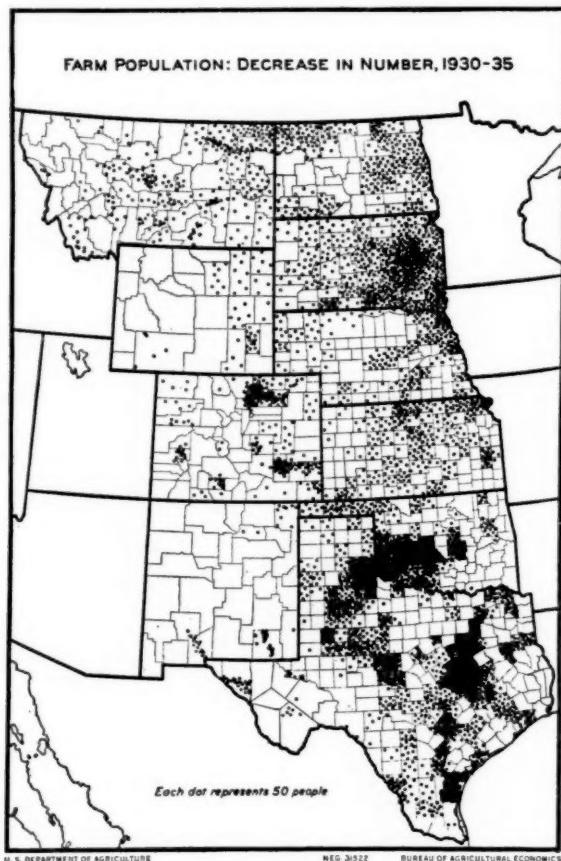
Texas, Montana, Wyoming, Colorado, and New Mexico. Only the last-named State increased its farm population by more than 10 percent, and only Montana decreased its farm population by more than 10 percent between 1920 and 1935.

FARM POPULATION VIRTUALLY STATIONARY

Between 1910 and 1935 the farm population of these 10 States is estimated to have increased by only about 45,000 persons, which is less than one-half the number of children born to farm women in those States during any one year between 1930 and 1935.

The census of agriculture last year was, of course, taken immediately following the severe drought of 1934. It showed that the farm population of those 10 States had been changed by less than one-tenth of 1 percent between 1930 and 1935. There was a decrease in farm population in the drier portions of the States but, on the other hand, increases occurred in western Kansas, several counties in western Oklahoma, western Nebraska, southwestern Wyoming, and in western North Dakota, south of the Missouri River.

The decreases in farm population were notable in the Panhandle of Oklahoma and even more so in the cotton-growing area of southwestern Oklahoma and the adjoining eastern margin of the Great



Plains of Texas; but in the wheat-growing portion of the Texas Panhandle the change was slight. Farm population decreased markedly in the western portion of the Dakotas, in northwestern North Dakota, and northeastern Montana, and in the irrigated Arkansas and South Platte valleys of Colorado. Decreases virtually balanced increases in western Kansas and Nebraska and on the plains of western Colorado. A very decided increase in farm population occurred in the Rio Grande valleys and the mountainous portion of New Mexico.

MANY NEWCOMERS ON FARMS

The census reveals an interesting side light on the movement of population within this area. Notwithstanding that much of the Great Plains region experienced a decrease in farm population, there were large numbers of people found living on farms last year, even in the drier portions of the Great Plains, who were not there 5 years before. In other words, a great many of the Plains settlers moved out, but a great many others from outside evidently moved in. In the cotton-growing counties of the staked plains, from 500 to 1,000 such persons were reported in nearly every county. Substantial numbers of such newcomers were reported also in the irrigated districts, especially along the Arkansas River, the South Platte, the North Platte, the Yellowstone, and the Milk Rivers. In most of the dry-land farming counties from the Oklahoma Panhandle north to the Canadian line, the census taken at the beginning of last year showed from 200 to 500 persons per county on farms who were not there 5 years previously.

Apparently, the cheap lands of the Great Plains attracted a considerable number of unemployed during the depression. In many of these counties an increase in the number of farms occurred during the 5 years.

MANY MOVED AWAY BUT OTHERS CAME IN

As to the migration away from farms in the Plains region, it is evident that this amounted to a rather heavy movement, for in more than two-thirds of the counties there was some decline in the farm population, notwithstanding the large influx of newcomers (350,000) and the rather large natural increase—the excess of births over deaths, during the 5 years is estimated at 514,800 persons in the region. About three-fifths of this half million excess of births over deaths was in Texas and Oklahoma.

To sum up the movement of farm population in this region, it appears that in the 10 States, during the 5 years, at least 875,000 persons left farms and had not returned by January 1, 1935. Half a million more persons moved away from farms than moved to farms. It is interesting to note that this is only about half as many as moved away from farms in the preceding 10 years of urban prosperity, 1920-30; then the net movement away from farms amounted to nearly 1,200,000.

The farm population of the 10 States decreased from an estimated total of 6,117,000 on January 1, 1930 to 6,112,000 5 years later.

The really heavy movement to and from farms occurred in Texas and Oklahoma. More than half the migration away from farms occurred in those two States. In New Mexico, on the other hand, there was a net movement to the farms. Also, there was a net movement from farms in other States to farms in New Mexico.

The movement from town to farm in the region seems to have been heaviest in 1930 and 1932, and the movement from farm to town was heaviest in 1934 and 1935.

EXCESS OF BIRTHS OVER DEATHS

Wherever increases in the farm population between 1930 and 1935 are reported, they are due almost entirely to the high-birth rates and low-death rates prevailing in the area. Only Texas and New Mexico

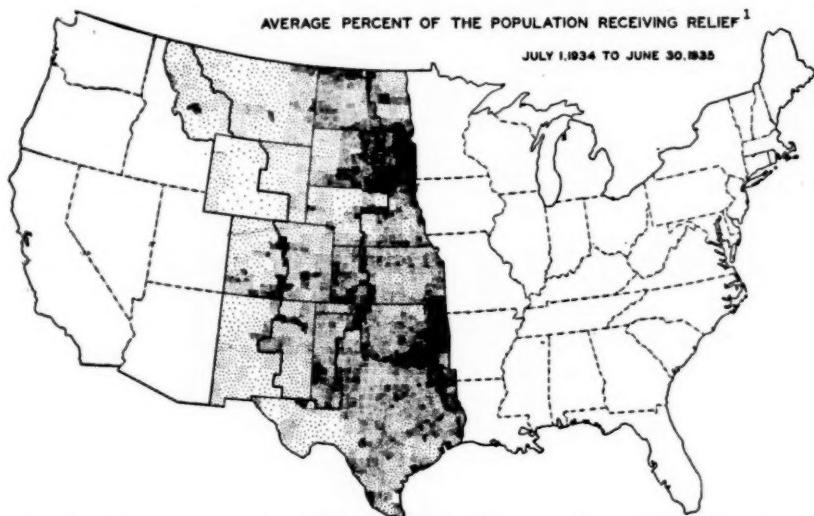
report areas of any size in which the farm population had increased because of persons moving in.

Concerning last year, the information available indicates that during 1935 farm population in the 10 States decreased by about 1 percent. Only Nebraska showed an increase. New Mexico, Oklahoma, and Texas were about unchanged. No information is at hand covering 1936.

RELIEF EXTENDS OUTSIDE DRY-LAND AREA

There is another popular impression that the area where relief has been most necessary is the dry-land area of the Great Plains States, which is outlined on the accompanying map.

The map shows the average number of persons receiving relief in the year ending June 30, 1935, expressed as a percentage of the population in the area in 1930. It will be noted that the areas where the relief load was heavy lie well to the eastward of the dust bowl of the



Each dot indicates 1 percent of the 1930 population of the county in which the dot is located.

familiar newspaper headlines. In all except one county in North Dakota and two counties in South Dakota, 10 percent or more of the total population was on relief during the year. The actual proportion of the population receiving relief at some time during the year obviously would be much higher. More than 10 percent of the population of every county in Oklahoma and Texas was on relief during that year.

Likewise, in Montana all except 10 counties reported more than 10 percent of the population on relief during those 12 months. The same was true in Wyoming except for 7 counties, in Colorado except 3 counties, in Kansas except 13 counties, and in Nebraska except 33 counties.

Thus, of the 824 counties in those States, only 69 had less than an average of 10 percent of their population on relief between July 1, 1934 and June 30, 1935. As the map shows, the relief load, while proportionately heavy within the Great Plains dry-land area, was

¹ Map supplied by W. P. A.

also especially heavy in the eastern parts of South Dakota, Oklahoma, eastern North Dakota, and some areas of western Colorado, all of which are outside the Great Plains dry-land area as the latter is determined on the basis of climatic and soil factors.

DR. CONRAD TAEUBER,
Division of Farm Population and Rural Life.

NEW FARM LOANS INCREASED BY DROUGHT

The volume of new agricultural loans usually declines during the late summer months after the spring financing. This seasonal decrease in the flow of current credit applies to both short-term and mortgage-credit operations. Production credit advances of the Farm Credit Administration declined to \$14,000,000 in July as compared with \$25,000,000 in March. Total land bank and commissioner loans were \$12,000,000 in July as compared with \$22,000,000 in March. This year, however, the usual seasonal decline in short-term credit is being checked somewhat by the emergency requirements of the drought in more than 1,000 counties in 23 States. The result is a demand for credits not customary at this season. The broad band of territory extending from the spring-wheat region eastward to well into the Corn Belt and south and east across important parts of the Cotton Belt has produced substantial demands for loans for feed and subsistence. In addition to \$13,000,000 in emergency loans by the Farm Credit Administration in the current year, an additional \$13,000,000 has been allocated by the Resettlement Administration for loans and grants to meet emergency drought needs. Advances to the present date have been made to care for the months immediately ahead, including the provision of funds for the early winter. A substantial amount of the credit occasioned by drought arises in the season following the emergency, when the absence of usual receipts from production makes heavier demands on all credit agencies.

During the years since 1920 the amount of credit extended for such emergency purposes has varied, with substantial amounts extended in 9 of the 15 years. In general, the amounts so advanced show an upward tendency.

EMERGENCY CROP AND FEED LOANS 1921-35 AND DROUGHT RELIEF LOANS 1934-35

	Number	1,000 dollars
Emergency crop and feed loans, 1921-----	13, 973	1, 962
Emergency crop and feed loans, 1922-----	10, 970	1, 480
Emergency crop and feed loans, 1924-----	3, 153	414
Emergency crop and feed loans, 1926-----	908	244
Emergency crop and feed loans, 1929-----	46, 067	5, 759
Emergency crop and feed loans, 1930-----	45, 298	5, 339
Emergency crop and feed loans, 1931-----	438, 739	55, 788
Emergency crop and feed loans, 1932-----	507, 631	64, 205
Emergency crop and feed loans, 1933-----	633, 585	57, 376
Emergency crop and feed loans, 1934-----	445, 198	37, 892
Drought loans July 30, 1934-35-----	300, 614	72, 009
Emergency crop and feed loans, 1935-----	424, 216	57, 347

Typically the loans are of small amount and their value in permanently improving the borrower's status is correspondingly limited.

In 15 years the emergency crop loans have averaged \$112 each. Despite the small size of the loans the successive emergencies of recent years have increased the credit difficulties. Of the total emergency loans made from 1921 to 1935, 67 percent remained uncollected at the beginning of 1936. Of the 72 millions for drought loans made in 1934-35, 91 percent remained outstanding at the close of 1935.

The emergency loans have tended to recur in the same States and in the same areas. These areas include especially the northwest grain States and extend south to the Panhandle and the southeastern cotton States where average farm resources are readily exhausted and emergency needs follow quickly after low-farm returns. This repeated experience during recent years has raised questions as to the adequacy of small year-to-year advances and as to whether emergency credit can be made more effective by relating it to constructive requirements which will improve the basic economic position of the farmer in these areas as well as alleviate his temporary distress.

DAVID L. WICKENS,
Division of Agricultural Finance.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	July 1935	June 1936	July 1936	Month's trend
Pig iron, daily (thousand tons)-----	49	86	84	Decrease.
Bituminous coal (million tons)-----	22	29	32	Increase.
Steel ingots (thousand long tons)-----	2,268	3,985	3,923	Decrease.
Cotton, by mills (thousand bales)-----	391	556	603	Increase.
Steel Corporation shipments of finished steel products (thousand tons).-----	548	886	951	Do.
Building contracts in 37 Northeastern States (million dollars).-----	159	233	295	Do.
Hogs slaughtered (thousands)-----	1,712	2,759	2,692	Decrease.
Cattle and calves slaughtered (thousands).-----	1,209	1,370	1,451	Increase.
Sheep and lambs slaughtered (thousands).-----	1,546	1,309	1,352	Do.
Bank debits (outside New York City) (billion dollars).-----	17	19	19	Unchanged.
Carloadings (thousands)-----	2,225	2,787	2,826	Increase.
Mail-order sales (million dollars)-----	50	77	65	Decrease.
Employees, New York State factories (thousands).-----	357	380	383	Increase.
Average price 25 industrial stocks (dollars).-----	171.78	211.69	221.15	Do.
Interest rate (4-6 months' paper, New York) (percent).-----	.75	.75	.75	Unchanged.
Retail food price index (Department of Labor). ¹ -----	131	137	137	Do.
Wholesale price index (Department of Labor). ¹ -----	116	116	118	Increase.

¹ 1910-14 basis.

Data in the above table, excepting livestock slaughter and price and export indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce.

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States weighted according to relative importance of district and States.

Product	5-year aver- age, Au- gust 1909- July 1914	Au- gust aver- age, 1909- 13	Au- gust 1935	July 1936	Au- gust 1936	Parity price, Au- gust 1936
Cotton, per pound.....cents	12.4	12.3	11.5	12.6	12.2	16.0
Corn, per bushel.....do	64.2	70.9	80.8	80.2	103.7	82.8
Wheat, per bushel.....do	88.4	89.5	80.8	94.1	105.1	114.0
Hay, per ton.....dollars	11.87	11.35	7.90	8.66	10.77	15.31
Potatoes, per bushel.....cents	69.7	84.0	50.7	141.1	128.2	89.9
Oats, per bushel.....do	39.9	40.9	26.9	35.2	43.0	51.5
Beef cattle, per 100 pounds....dollars	5.21	5.08	6.28	5.71	5.71	6.72
Hogs, per 100 pounds.....do	7.22	7.30	10.22	9.14	9.89	9.31
Chickens, per pound.....cents	11.4	11.7	14.1	16.1	15.1	14.7
Eggs, per dozen.....do	21.5	18.1	22.7	20.0	22.4	23.8
Butter, per pound.....do	25.5	23.8	24.5	28.4	30.5	31.3
Butterfat, per pound.....do	26.3	24.1	22.9	32.6	35.7	31.6
Wool, per pound.....do	17.6	17.5	20.0	27.5	27.2	22.7
Veal calves, per 100 pounds....dollars	6.75	6.59	7.11	7.21	7.05	8.71
Lambs, per 100 pounds.....do	5.87	5.51	6.47	4.94	7.59	7.57
Horses, each.....do	136.60	137.30	87.90	95.90	90.80	176.20

¹ Adjusted for seasonality.

COLD-STORAGE SITUATION

[Aug. 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average, 1931-35	Year ago	Month ago	August 1936
Frozen and preserved fruits....pounds	86	82	72	86
40-percent cream.....40-quart cans	¹ 238	¹ 248	¹ 188	¹ 177
Creamery butter.....pounds	127	150	74	103
American cheese.....do	80	82	70	81
Frozen eggs.....do	112	116	112	116
Shell eggs.....cases	¹ 8,470	¹ 7,947	¹ 7,058	¹ 7,334
Total poultry.....pounds	39	41	43	49
Total beef.....do	44	49	41	43
Total pork.....do	635	370	435	442
Lard.....do	148	68	107	117
Lamb and mutton, frozen.....do	2	2	1	1
Total meats.....do	746	471	534	548

¹ 3 ciphers omitted.

CASH INCOME FROM THE SALE OF FARM PRODUCTS AND RENTAL AND BENEFIT PAYMENTS TO FARMERS
CASH INCOME FROM SALE OF FARM PRODUCTS

	Grains	Cotton and cotton-seed	Fruits and vegetables	All crops	Meat animals	Dairy products	Poultry and eggs	All livestock and products	Total crops and live-stock
1935	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars	Mil-lion dollars
March-----	28	30	75	159	122	102	45	270	429
April-----	37	18	92	173	124	111	59	295	468
May-----	40	15	83	160	130	123	66	323	483
June-----	34	12	70	133	116	122	54	305	438
July-----	45	11	75	152	119	113	44	299	451
August-----	95	27	70	260	139	102	36	287	547
September-----	94	109	70	356	136	98	41	282	638
October-----	79	182	110	484	169	95	44	312	796
November-----	54	146	73	349	154	89	64	311	660
December-----	41	94	69	270	164	97	65	328	598
1936									
January-----	45	54	72	227	180	168	40	331	558
February-----	34	32	89	189	137	103	35	278	467
March-----	51	25	84	190	146	112	52	312	502
April-----	41	14	86	165	151	112	56	320	485
May-----	47	20	101	194	140	120	63	332	526
June-----	62	16	111	218	156	128	58	364	582
July-----	169	13	116	343	163	129	48	368	711

BENEFIT, RENTAL, AND PRICE-ADJUSTMENT PAYMENTS TO FARMERS NOT INCLUDED IN OTHER SOURCES OF INCOME

	Cotton	Tobacco	Wheat	Sugar beets	Cotton price adjustment	Corn-hog	Rice	Total ¹
1935	Million dollars	Million dollars	Million dollars	Million dollars				
March-----	5	7	4	3	-----	30	-----	50
April-----	2	2	1	4	-----	40	-----	49
May-----	17	3	3	3	-----	10	-----	36
June-----	15	5	1	3	-----	6	-----	30
July-----	4	1	1	1	-----	11	-----	19
August-----	4	1	12	1	-----	24	2	44
September-----	6	4	23	-----	-----	22	2	57
October-----	18	2	19	4	-----	18	1	62
November-----	13	2	28	9	-----	9	1	² 64
December-----	31	1	5	6	-----	3	3	² 50
1936								
January-----	1	-----	-----	-----	-----	-----	-----	1
February-----	-----	-----	-----	-----	-----	-----	-----	-----
March-----	8	-----	5	2	-----	6	12	15
April-----	3	-----	14	2	6	-----	-----	37
May-----	1	1	16	1	9	31	-----	59
June-----	1	2	11	-----	13	30	-----	57
July-----	1	2	4	-----	8	9	-----	24

¹ Total of all benefit, rental, and price-adjustment payments made during month does not check exactly with sum of payments on individual program, as it includes drought relief payments on cattle and sheep of \$3,000,000 in February 1935 and \$1,000,000 in March 1935.

² Includes \$1,000,000 to peanut growers in November and December.

GENERAL TREND OF PRICES RECEIVED AND PAID

Year and month	Index numbers of farm prices [August 1909-July 1914=100]								Prices paid by farmers for commodities ¹	Ratio of prices received to prices paid
	Grains	Cotton and cottonseed	Fruits	Truck crops	Meat animals	Dairy products	Chickens and eggs	All groups		
1910-----	104	113	101	-----	103	99	104	102	98	104
1911-----	96	101	102	-----	87	95	91	95	101	94
1912-----	106	87	94	-----	95	102	100	100	100	100
1913-----	92	97	107	-----	108	105	101	101	101	100
1914-----	102	85	91	-----	112	102	106	101	100	101
1915-----	120	77	82	-----	104	103	101	98	105	93
1916-----	126	119	100	-----	120	109	116	118	124	95
1917-----	217	187	118	-----	174	135	155	175	149	117
1918-----	227	245	172	-----	203	163	186	202	176	115
1919-----	233	247	178	-----	207	186	209	213	202	105
1920-----	232	248	191	-----	174	198	223	211	201	105
1921-----	112	101	157	-----	109	156	162	125	152	82
1922-----	106	156	174	-----	114	143	141	132	149	89
1923-----	113	216	137	-----	107	159	146	142	152	93
1924-----	129	212	125	150	110	149	149	143	152	94
1925-----	157	177	172	153	140	153	163	156	157	99
1926-----	131	122	138	143	147	152	159	145	155	94
1927-----	128	128	144	121	140	155	144	139	153	91
1928-----	130	152	176	159	151	158	153	149	155	96
1929-----	120	144	141	149	156	157	162	146	153	95
1930-----	100	102	162	140	133	137	129	126	145	87
1931-----	63	63	98	117	92	108	100	87	124	70
1932-----	44	47	82	102	63	83	82	65	107	61
1933-----	62	64	74	105	60	82	75	70	109	64
1934-----	93	99	100	104	68	95	89	90	123	73
1935-----	103	101	91	127	118	108	117	108	125	86
 1935										
June-----	102	103	100	96	119	99	108	104	127	82
July-----	96	102	98	93	116	96	107	102	126	81
August-----	96	97	87	92	129	98	111	106	125	85
September--	97	90	82	101	131	102	126	107	123	87
October----	101	94	82	120	125	104	132	109	123	89
November--	90	99	83	136	117	111	140	108	122	89
December--	89	98	92	136	120	118	135	110	122	90
 1936										
January----	92	95	89	118	122	120	117	109	122	89
February--	92	94	92	117	125	123	121	109	122	89
March----	92	93	94	77	122	118	99	104	121	86
April----	89	96	89	107	125	114	97	105	121	87
May-----	88	96	103	105	118	106	101	103	121	85
June-----	87	96	115	99	120	106	103	107	120	89
July-----	109	105	117	115	119	116	106	115	123	² 93
August----	129	103	108	134	123	125	112	124	126	² 98

¹ 1910-14=100.² Preliminary.

THE TREND OF EXPORT MOVEMENT

Year and month, (ended Dec. 31)	Wheat, including flour ¹	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard ³	Apples (fresh)	Cotton, running bales ⁴
Total:	1,000 <i>bushels</i>	1,000 <i>pounds</i>	1,000 <i>pounds</i>	1,000 <i>pounds</i>	1,000 <i>bushels</i>	1,000 <i>bales</i>
1920-----	311, 601	467, 662	821, 922	612, 250	5, 393	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	5, 809	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	4, 945	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	8, 876	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	12, 361	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	10, 043	8, 362
1926-----	193, 971	478, 773	351, 591	698, 961	16, 170	8, 916
1927-----	228, 576	506, 252	237, 720	681, 303	15, 534	9, 199
1928-----	151, 976	575, 408	248, 278	759, 722	13, 635	8, 546
1929-----	154, 348	555, 347	275, 118	829, 328	16, 856	7, 418
1930-----	149, 154	560, 958	216, 953	642, 486	15, 850	6, 474
1931-----	125, 686	503, 531	123, 246	568, 708	17, 785	6, 849
1932-----	82, 118	387, 766	84, 175	546, 202	16, 919	8, 916
1933-----	26, 611	420, 418	100, 169	579, 132	11, 029	8, 533
1934-----	36, 538	418, 983	83, 725	431, 237	10, 070	5, 753
July:						
1925-----	8, 944	39, 037	35, 472	49, 314	156	198
1926-----	19, 811	29, 760	22, 457	45, 873	226	356
1927-----	12, 100	28, 229	24, 040	46, 972	144	372
1928-----	7, 193	19, 417	25, 851	52, 940	271	331
1929-----	13, 784	23, 458	24, 647	64, 274	167	238
1930-----	16, 377	27, 195	19, 635	51, 670	276	176
1931-----	17, 454	19, 364	11, 793	33, 824	488	259
1932-----	4, 841	25, 126	10, 587	34, 886	457	449
1933-----	1, 391	28, 828	10, 994	36, 200	130	692
1934-----	2, 168	17, 636	11, 572	33, 466	127	306
1935:						
January-----	1, 257	28, 943	5, 108	17, 667	1, 281	466
February-----	1, 301	23, 616	4, 158	15, 890	1, 490	390
March-----	1, 500	31, 062	5, 428	10, 636	945	318
April-----	1, 281	16, 761	5, 332	7, 193	397	323
May-----	1, 426	16, 661	7, 443	9, 740	44	278
June-----	1, 195	11, 867	6, 662	6, 877	17	345
July-----	1, 232	14, 581	6, 580	4, 915	99	280
August-----	1, 278	22, 382	5, 210	3, 406	544	241
September-----	1, 324	52, 371	3, 531	1, 515	1, 349	487
October-----	1, 485	60, 068	3, 355	2, 731	2, 190	712
November-----	1, 320	64, 117	4, 961	7, 932	1, 854	1, 135
December-----	1, 132	38, 753	3, 923	7, 853	1, 496	886
Total-----	15, 731	381, 182	61, 691	96, 355	11, 706	5, 861
1936:						
January-----	1, 202	40, 297	3, 395	10, 117	1, 248	543
February-----	1, 192	34, 594	2, 369	7, 514	1, 206	406
March-----	1, 425	29, 832	3, 017	11, 461	1, 082	405
April-----	1, 423	23, 784	3, 396	9, 489	750	353
May-----	1, 534	17, 106	5, 367	10, 837	291	352
June-----	1, 382	20, 477	5, 955	11, 090	130	298
July-----	1, 389	19, 984	7, 194	7, 481	179	156

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.² Includes Cumberland and Wiltshire sides.³ Excludes neutral lard.⁴ Excludes linters.

THE TREND OF AGRICULTURAL IMPORTS¹

Year and month (ended Dec. 31)	Cattle, live	Beef, canned includ- ing corned ²	Butter	Wheat, grain ³	Corn, grain	Oats, grain	Barley, malt ⁴
Total:	1,000 head	1,000 pounds	1,000 pounds	1,000 bushels	1,000 bushels	1,000 bushels	1,000 pounds
1920-----	379	3,979	37,454	97	7,784	6,728	0
1921-----	195	320	18,558	3,574	164	5,565	0
1922-----	238	894	6,957	10,560	113	1,299	60
1923-----	140	4,496	23,741	8,930	203	317	397
1924-----	145	7,026	19,405	6,895	4,107	6,964	765
1925-----	175	7,969	7,212	1,308	1,086	178	836
1926-----	221	21,045	8,029	451	1,055	157	1,028
1927-----	445	35,999	8,460	21	5,458	85	810
1928-----	563	52,748	4,659	224	565	489	865
1929-----	505	79,899	2,773	36	407	112	1,025
1930-----	234	56,105	2,472	317	1,556	183	4,309
1931-----	95	19,586	1,882	54	618	576	39,875
1932-----	106	24,639	1,014	3	344	59	52,533
1933-----	82	41,344	1,022	31	160	132	109,183
1934-----	66	46,674	1,253	7,737	2,959	5,580	193,728
July:							
1925-----	14	407	404	8	31	15	140
1926-----	16	2,895	159	1	25	20	82
1927-----	19	1,274	364	1	692	5	1
1928-----	27	4,467	217	50	105	284	44
1929-----	40	7,680	248	1	22	2	113
1930-----	8	1,543	95	42	37	1	210
1931-----	10	2,362	88	1	27	1	3,001
1932-----	5	1,834	41	0	17	3	3,237
1933-----	1	4,252	96	1	11	75	14,752
1934-----	4	4,279	74	2	24	152	25,407
1935:							
January-----	6	4,099	539	843	1,887	1,644	17,449
February-----	38	4,222	3,071	1,055	1,826	2,118	15,459
March-----	53	7,690	4,929	1,458	3,304	2,596	27,197
April-----	51	9,496	8,860	1,611	1,445	2,167	30,701
May-----	49	7,076	2,665	847	3,036	1,124	37,794
June-----	34	5,911	1,437	625	6,122	406	43,728
July-----	18	5,220	177	793	5,649	29	42,041
August-----	16	5,740	149	2,570	8,554	1	27,136
September-----	14	7,752	122	3,644	2,986	7	27,566
October-----	32	5,379	108	5,324	4,690	5	16,933
November-----	40	6,811	277	4,348	1,651	2	18,916
December-----	27	6,867	341	4,321	2,092	8	15,703
Total-----	378	76,263	22,675	27,439	43,242	10,107	320,623
1936:							
January-----	22	7,642	860	2,231	1,869	0	15,190
February-----	28	7,218	2,191	2,398	583	6	15,554
March-----	52	7,978	577	2,673	1,186	5	18,153
April-----	79	11,897	661	1,536	1,052	11	21,642
May-----	57	8,654	224	1,627	938	22	27,300
June-----	47	6,918	168	3,028	34	2	24,256
July-----	34	-----	308	-----	1,301	1	31,811

¹General imports prior to 1934; beginning Jan. 1, 1934, imports for consumption.²Imports for consumption.³July figures include "other canned meats" prior to 1929.⁴For domestic consumption and includes only wheat full duty paid and 10 percent ad valorem.

Foreign Agricultural Service Division. Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce.

MEASURES OF DOMESTIC DEMAND

[1924-29=100]

	July				Percent change		
	1929	1933	1935	1936	1935-36	1933-36	1929-36
National income (excluding farm income):							
Total	108.3	61.5	72.4	82.2	+14	+34	-24
Per capita	103.0	57.2	66.7	75.3	+13	+32	-27
Factory pay rolls:							
Total	108.4	51.3	66.1	78.7	+19	+53	-27
Per employed wage earner	101.2	70.8	82.0	89.6	+9	+27	-11
Industrial production:							
Total	115.7	93.3	80.2	100.8	+26	+8	-13
Factories processing farm products	107.0	114.6	96.3	104.9	+9	-8	-2
Other factory production	121.9	83.0	72.9	99.6	+37	+20	-18
Construction activity:							
Contracts awarded, total	102.5	17.4	28.9	47.1	+63	+171	-54
Contracts awarded, residential	83.3	11.6	22.4	34.9	+56	+201	-58
Employment in production of building materials	94.7	40.9	45.0	54.7	+22	+34	-42
Cost of living:							
Food	102.2	67.6	77.1	80.8	+5	+20	-21
For "All other items"	97.9	80.4	81.3	82.5	+1	+3	-16
Purchasing power of national income (excluding farm income) per capita:							
For food	100.8	84.6	86.5	93.2	+8	+10	-8
For "All other items"	105.2	71.1	82.0	91.3	+11	+28	-13

NOTE.—All indexes adjusted for seasonal variation except "Cost of living."

The money income of consumers was 14 percent greater in July 1936 than in July 1935, as against a 13 percent increase in June. On a per-capita basis, this level of income supports a consumer purchasing power in exchange for food 8 percent higher than a year ago, 10 percent higher than in July 1933, and about 8 percent below 1929.

Further substantial gains were recorded in industrial activity during July, with the index slightly more than the 1924-29 average of 100. Current levels are 26 percent higher than in July 1935 and only 13 percent below July 1929. Continued betterment in the heavy industries processing mainly nonagricultural raw materials combined with a further quickening in operations of the industries processing agricultural products to bring about this improvement. The latter group now is producing goods for the consumer market at a rate only 2 percent below the rate prevailing in July 1929. Factory employment in July was 9 percent above a year earlier and pay rolls 19 percent greater, indicating wage earnings per employed worker about 9 percent higher than in July 1935.

Another sizeable increase in building operations took place in July; while a major factor during the month was the large gain in public and semipublic construction, there also occurred further expansion in residential building which currently is 56 percent higher than a year ago and more than three times the low level of July 1933.

These sustained levels of consumer income resulting from continued improvement in industrial activity insure a ready market for farm products. Present levels of consumer purchasing power should enable the movement of farm products into consuming channels during the coming months without great pressure on prices.